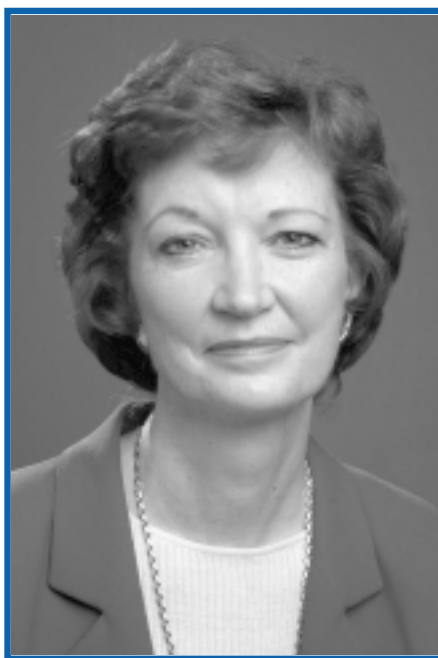


# MESSAGE FROM THE CHIEF FINANCIAL OFFICER

I am pleased to present the *Chief Financial Officer's Annual Report: FY 2001* for the Centers for Disease Control and Prevention (CDC) and the Agency for Toxic Substances and Disease Registry (ATSDR). We are accountable for the level and quality of the services we provide to the American people; for supporting the mission and goals of our parent agency, the Department of Health and Human Services; for complying with legislation enacted by Congress; and for meeting the President's Governmentwide Management Reforms.

For fiscal year 2001, Congress provided the CDC with \$4.7 billion of budgetary authority and ATSDR with \$74.8 million. I am proud to report that our agencies have received their fourth straight unqualified opinion from our independent auditors, a recognition of the importance we ascribe financial stewardship. CDC's impeccable scientific integrity and its excellent record of fiscal stewardship and accountability are integrally related.



CDC and ATSDR strive to support HHS' crucial public health mission and the President's Governmentwide Management Reforms, which were announced during FY 2001. We have and will continue to challenge ourselves to be leaders in excellent business practices, practices that will yield discernible results. CDC, in following its Financial Management Excellence Initiative, has been working to enhance and improve its already strong fiscal management practices in a variety of key areas, which include the following:

- *Financial Systems*—CDC works as an integral partner in HHS' initiative to develop a unified financial management system, thereby reducing the number of financial systems that HHS operates and consolidating redundant financial operations.
- *Leadership and Staffing*—CDC strengthened its accounting staff by recruiting and hiring qualified experienced accountants, certified government financial managers, and certified public accountants; appointed a Senior Executive Service-level Deputy Director for Finance and Accounting who will serve as Deputy Chief Financial Officer; and initiated a Financial Management Certificate Program to build fiscal excellence.
- *Fiscal Structure*—Even as new funding and programs added to the complexity of CDC's budget and accounting structures, CDC acted to simplify and streamline its budget structure. CDC also developed, with assistance from specialized consultants and accountants, a new method for allocating indirect costs. CDC plans to implement these measures in FY 2002.
- *Communications*—CDC initiated a Financial Management Certificate Program to educate and train financial management staff and launched an expanded, redesigned Financial Management Office Intranet site to improve the sharing of fiscal procedures, issues, information, and documents.

In addition to these financial management practices, CDC's leadership responded to the President's Governmentwide Management Reforms. Three major initiatives focus on

- *Workforce management*—CDC developed and submitted a "restructuring and delayering plan" that will reduce the number of managers, organizational layers, and the time it takes to make decisions; increase the span of control; and redirect employees to customer service positions.
- *E-Commerce*—CDC continued refining its E-Commerce strategies to ensure secure data communications over the Internet; to reengineer its grants management process; and to follow the lead HHS in conducting E-Commerce business through E-Procurement and E-Grants.
- *CDC Web Site*—CDC constantly strives to improve its Web site by making it easier to use and navigate, providing more interactive tools, and enriching and expanding the content.

The fiscal information contained in this report, together with the performance information reported under the Government Performance and Results Act, offers documentation that CDC is a good investment for taxpayers and that the dollars we spend yield valuable results. CDC and ATSDR will continue to make significant contributions in improving the quality of life for all Americans and in supporting national efforts to bolster our homeland security with the hope that we will never again experience events on the scale of those perpetrated on September 11, 2001, and thereafter.

We appreciate your interest in our *Chief Financial Officer's Annual Report: FY 2001* and hope that you find this document to be a concise and informative overview of our accomplishments, finances, operations, and organization.



Virginia Shankle Bales  
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and Chief Financial Officer  
Centers for Disease Control and Prevention and  
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